

The New Currency of Conflict: Advanced War Entrepreneurship and Compromised Morality in the Middle East and Africa

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Article History	Abstract
Original Research Article	<i>This study employs a qualitative, desk-based research design to conduct a systematic content analysis of the relationship between illicit economies, private military forces, and ethical degradation in conflict. Drawing on a diverse range of secondary data—including scholarly literature, organizational reports, and media analyses—the study explores how contemporary conflict has evolved into a self-sustaining business model termed "advanced war entrepreneurship." The analysis is structured to identify, categorize, and synthesize key findings across three core themes: the role of illicit economies (e.g., oil bunkering, conflict minerals) as the financial engine of conflict; the privatization of violence through Private Military and Security Companies (PMSCs) and other non-state actors; and the subsequent erosion of ethical norms and international law, or "compromised morality." Findings demonstrate that conflict is no longer a political event with economic consequences, but rather a profitable enterprise where the pursuit of financial gain drives violence and human rights abuses. The study concludes that this business model not only perpetuates conflict but also systematically undermines international legal frameworks, creating a climate of impunity that ensures its continuation.</i>
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Citation: Jimmy, U.J, (2025), The New Currency of Conflict: Advanced War Entrepreneurship and Compromised Morality in the Middle East and Africa, UKR Journal of Economics, Business and Management (UKRJEBM), volume 1(5), 32-42.	<i>Keywords: New Currency, Conflict, Advanced War Entrepreneurship, Compromised Morality, Middle East, Africa.</i>

1. Introduction

Contemporary global security challenges are increasingly defined by complex, protracted internal struggles rather than traditional interstate warfare. This shift is particularly pronounced in the Middle East and Africa, where conflicts often involve a diverse array of state and non-state actors (Amnesty International, 2024). The conventional distinctions between combatants and civilians, as well as between purely political and increasingly economic motivations for violence, have become significantly blurred. The rise of violent non-state actors (VNSAs), including warlords, insurgents, terrorists, and private military firms, signals a fundamental transformation in the landscape of modern warfare. The decentralization of violence, characterized by the proliferation of non-state actors, implies a corresponding diversification of conflict financing mechanisms (Blaydes, 2011; Cramer, 2006). This structural change renders traditional state-centric diplomatic and military interventions less effective, as the

underlying economic drivers of these conflicts frequently operate outside conventional state control.

The concept of a "new currency of conflict" extends beyond conventional notions of currency wars, which typically involve competitive devaluations to gain trade advantages. Instead, it encompasses illicit economic activities that directly fund, sustain, and incentivize armed conflict. These activities transform natural resources, human vulnerability, and even violence itself into strategic assets for belligerent groups and profiteers. Illicit economies, such as illegal drugs, conflict diamonds, special minerals, weapons, and human trafficking, offer exceptionally high profits, enabling non-state actors to capture significant market shares. This profitability and direct utility in sustaining conflict suggest these illicit gains function as a medium of exchange. For some actors, maintaining conflict can be more profitable than achieving peace, creating a perverse incentive structure that complicates and prolongs instability.

"War entrepreneurship" describes the phenomenon where individuals and groups proactively identify and exploit economic opportunities within conflict settings to generate wealth and power. This spectrum ranges from local small businesses in conflict zones, which can paradoxically foster peace or enhance conflict, to large-scale criminal networks and private military companies. Concurrently, "compromised morality" refers to the systemic erosion or degradation of ethical standards and principles within individuals and society, often resulting from prolonged exposure to conflict and the pursuit of profit through illicit means. This involves a process of finding a "middle ground" in moral dilemmas, where pragmatic outcomes (such as profit, survival, or power) increasingly override traditional ethical considerations (International Crisis Group, 2014). The intricate connection between "advanced war entrepreneurship" and "compromised morality" suggests a profound systemic breakdown. The pursuit of profit in conflict actively corrodes ethical frameworks, leading to the normalization of violence not merely as a means to an end, but as a legitimate and profitable business model (Ross, 2004). This creates a self-perpetuating cycle where economic incentives consistently outweigh moral constraints, deepening conflict and human suffering. Interventions must therefore not only target the economic flows but also address the underlying societal and institutional factors that enable this ethical erosion, fostering a return to accountability and moral governance.

The Middle East and Africa have historically been regions characterized by significant conflict, driven by complex political, social, economic, and environmental factors (International Crisis Group, 2017). These regions are particularly susceptible to the dynamics of resource exploitation and illicit economies due to prevalent factors such as weak governance, high youth unemployment, and the exacerbating impacts of climate change (Singer, 2003). The concentration of these complex conflict dynamics in the Middle East and Africa is not coincidental but a direct consequence of specific socio-economic and governance vulnerabilities. These vulnerabilities are frequently exacerbated by external influences and the global demand for resources. This makes these regions crucial case studies for understanding the global implications and manifestations of "new currency" conflicts. The "resource curse," coupled with demographic pressures (youth bulge) and climate change impacts, creates a large, vulnerable population and weak state control. This environment is ripe for exploitation by war entrepreneurs who can easily access resources and human capital to fuel conflict. A comprehensive understanding of the "new currency of conflict" necessitates a deep dive into these regions, as they represent a critical microcosm of global challenges related

to resource governance, illicit trade, and ethical responsibility in conflict.

2.0 Review of Related Literature

2.1 The Evolving Drivers of Conflict in the Middle East and Africa

The "resource curse" hypothesis posits that an abundance of non-renewable natural resources, particularly crude oil, can paradoxically lead to poor economic growth, authoritarian regimes, and increased conflict. Oil-producing states in the Middle East and North Africa (MENA) have experienced a conflict rate 40% higher since 1960 compared to countries without oil (Organisation for Economic Co-operation and Development, 2019). This resource wealth can foster economic dependency and inequality, fueling political corruption and regional grievances, especially in countries with limited economic diversification. This pattern is not a predetermined fate but a conditional outcome heavily mediated by institutional quality and equitable resource distribution. Where governance is weak, and resource rents are not transparently or equitably distributed, resource wealth becomes a potent catalyst for violent conflict and popular unrest, rather than a driver of sustainable development. The problem lies not in the resource itself, but in the systemic failures of its governance. This leads to internal conflicts over resource control and distribution, as exemplified by Khuzestan in Iran, where inequitable oil rent distribution stimulated popular unrest.

The MENA region has undergone a rapid demographic transition, resulting in a significant "youth bulge" since the 1980s. High rates of youth unemployment, particularly among the educated (e.g., an average rate of 22% for young males and 39% for young females in the MENA 7 countries; over 30% for those with tertiary education in Egypt, Tunisia, and Jordan), exert immense pressure on governments and institutions (Singer, 2003). This demographic reality, combined with a lack of dynamic private sectors and grim economic growth prospects, has been a primary driver for rebellions and mass protests, notably during the Arab Spring (Singer, 2003). When a demographic "youth bulge" is coupled with economic stagnation and limited legitimate opportunities, it transforms a potential demographic dividend into a significant driver of social unrest and conflict. This creates a large pool of disaffected individuals who are highly vulnerable to recruitment by armed groups or participation in illicit economies, effectively supplying the "human capital" for advanced war entrepreneurship. This desperation makes them susceptible to exploitation by actors offering alternative (often illicit) means of income, power, or a sense of belonging through violence

(Stockholm International Peace Research Institute, 2022). Addressing youth unemployment and fostering inclusive economic growth through diversified sectors are therefore not merely economic imperatives but critical, long-term conflict prevention strategies.

Climate change functions as a "threat multiplier" in Africa and the Middle East, intensifying existing social and political tensions. Rising temperatures (1.5 times faster than the global average in the Sahel) and increasingly unpredictable rainfall patterns lead to severe degradation of farmland (80% in the Sahel), water stress, and reduced agricultural yields. This exacerbates food insecurity and intensifies competition over diminishing resources, frequently escalating into violent conflict (e.g., over 3,600 deaths from farmer-herder conflicts in Nigeria between 2016 and 2018) (Transnational Institute, 2015; International Labour Organization, 2017). This amplification of existing fragilities by climate-induced resource scarcity creates acute vulnerabilities, forcing population displacement and increasing the pool of individuals susceptible to recruitment by armed groups or involvement in illicit activities. The economic shocks resulting from climate events reduce the opportunity cost of participating in conflict, particularly in politically marginalized or economically disadvantaged communities. This indicates that climate change is not a standalone cause of conflict but a critical exacerbating factor that reshapes resource availability and intensifies existing social and political tensions.

2.2. The Privatization of Violence

The privatization of violence marks a significant shift in modern conflict dynamics, characterized by the increasing reliance on non-state actors to wage war (Singer, 2003). This phenomenon involves both "bottom-up" privatization, where armed non-state actors like warlords, militias, rebels, and gangs fight for their own political or economic interests, and "top-down" privatization, where governments outsource military functions to private military companies (PMCs). This trend is driven by persistent conflicts, fragile state security, and the commercialization of core state functions.

The Rise of Private Military and Security Companies (PMSCs) and their operational modalities brings complexities in security studies. PMCs are increasingly assuming roles traditionally reserved for national armed forces, extending beyond physical security to provide logistical and intelligence support, training, and even direct combat operations. This industry, valued at over \$200 billion globally, employs over 1 million personnel. Their growth dramatically expanded after the Cold War, fueled by the exodus of over 6 million military personnel from Western militaries in the 1990s. PMCs offer military

expertise and flexibility, enabling states to operate less conspicuously and avoid the political costs of deploying uniformed soldiers, sometimes even obscuring governmental involvement in abuses (World Bank 2011). For instance, Russia has expanded the use of PMCs, notably the Wagner Group, to sub-Saharan Africa, Latin America, and the Middle East (e.g., Sudan, Central African Republic, Mozambique, Syria, Libya, Yemen) (OECD, 2019). These groups secure key energy infrastructure, mining, and mineral extraction sites, often synchronizing military advances with economic priorities to secure oil and gas fields and generate profits.

The proliferation of PMCs has been accompanied by significant concerns regarding violations of international humanitarian and human rights laws. Infamous incidents, such as the killing of 17 civilians at Nisour Square in Baghdad by Blackwater contractors, illustrate the potential for severe civilian harm. In the Central African Republic (CAR), Wagner Group operatives are accused of widespread human rights violations, including intimidation, harassment, torture, arbitrary detention, summary executions, and sexual violence, often in conjunction with CAR army and police (United Nations Group of Experts on the Democratic Republic of the Congo, 2013). One victim reported being beaten and having a finger cut off by Russian-speaking weapon bearers. These abuses are not limited to CAR, with similar incidents reported in Mali and Sudan.

The legal status of PMCs often remains contested, making it challenging to regulate their conduct and attribute violations. Six key issues hinder accountability: states use PMCs to conceal their involvement, data on civilian harm is rarely disaggregated, monitors face significant risks, definitional challenges allow evasion of regulation, insufficient state adherence to regulatory frameworks enables plausible deniability, and harmed civilians have very limited recourse for accountability or reparations. PMCs, as corporate bodies, cannot be investigated by criminal courts; only individual employees can be held criminally responsible. This legal ambiguity is further complicated by the frequent closure and re-establishment of PMCs under new names, and the immunity they often enjoy through agreements between contracting and territorial states. This environment of limited accountability creates a system where violence can be commodified and traded, lowering the threshold for conflict and making it accessible to anyone at the right price.

2.3. Illicit Economies as Conflict Financing Mechanisms

Illicit economies are not merely consequences of conflict but fundamental drivers, providing significant financial resources and strategic leverage for armed groups and criminal networks (Humphreys, Sachs & Stiglitz, 2007).

These activities form the "new currency" that sustains violence across the Middle East and Africa (OECD, 2019).

A good example is the illegal trade of oil, which serves as substantial source of revenue for armed groups. In Nigeria, up to 20% of the country's oil output is systematically stolen, sold, and illegally refined, leading to direct losses of \$41.9 billion over 10 years (Le Billon, 2008). This "bunkering" activity, often carried out by criminal groups with links to militant groups in the Niger Delta, directly finances militants and corrupt officials (Human Rights Watch, 2016, 2023). The loss of oil revenues, which can represent one-third of the income for Nigeria's national budget, destabilizes the economy and fuels conflict. Similarly, the Islamic State (ISIS) became one of the wealthiest terrorist groups by making as much as \$3 million a day from illegal oil trade in Syria and Iraq in 2014 (Le Billon, 2001). ISIS controlled 60% of Syria's pre-conflict oil production capacity and significant fields in Iraq, selling crude at discounted prices (\$20-\$60 per barrel) to local populations and through cross-border smuggling, primarily into Turkey. While later studies indicated that oil revenue might not have been ISIS's largest source of income, it significantly contributed to the group's expansion and recruitment (OECD, 2019). In Libya, fuel smuggling is doubly damaging, costing the state an estimated \$1.8 billion annually, with armed groups controlling refineries and distribution for illicit profit (Kaldor, 2012).

A study by Blaydes (2011) has explored how conflict minerals (gold, coltan, diamonds) contribute to armed groups. The exploitation and trade of "conflict minerals" are pervasive in African conflict zones. In the Democratic Republic of Congo (DRC), illicit natural resource exploitation is valued at over \$1.25 billion annually, with transnational organized criminal groups receiving an estimated \$72-\$426 million per year (Global Initiative against Transnational Organized Crime (2020). Armed groups retain a smaller but critical portion, around \$13.2 million annually, which covers the basic subsistence costs for at least 8,000 fighters, enabling them to continuously resurface and destabilize the region. Gold is a major source of revenue for armed groups in eastern DRC, with estimates of illicit gold exports ranging from \$118 million to over \$1.8 billion annually. Gold is smuggled by air and land, often laundered by mixing with legitimate production in transit countries like Uganda, Rwanda, and Burundi before reaching international markets like Dubai. Coltan (tantalum), tin, and tungsten are also significant, with armed groups controlling approximately 50% of the over 1,000 mineral mines in eastern DRC. These groups profit by taxing miners, raiding mines, and partnering with smugglers. The M23 rebel group, for instance, is estimated

to generate \$800,000 per month from controlling coltan-rich mines in Rubaya.

Diamonds have also historically fueled conflicts, with reports estimating that as much as 21% of total diamond production in the 1980s was sold for illegal purposes, though this has reportedly fallen to approximately 1% due to efforts like the Kimberley Process. However, challenges remain with enforcement and smuggling, and the narrow definition of "conflict diamonds" often excludes broader human rights abuses and environmental concerns. The United Arab Emirates (UAE) is a major destination for smuggled African gold, with around 66.5% of its gold imports from Africa in 2022 sourced illicitly, amounting to \$115.3 billion between 2012 and 2022.

2.3.1 Arms trafficking: routes, sources, and economic value

The illicit arms trade is a critical enabler of conflict, fueling violence, crime, and instability across Africa and the Middle East. The proliferation of small arms and light weapons (SALW) is a primary driver of conflict in the Sahel, exacerbating inter-communal violence and empowering extremist groups like Boko Haram and ISIS. SALWs enter the Sahel through legal transfers that are diverted, theft from national stockpiles (considered the primary method), local production, and international smuggling networks. Weapons from the Libyan conflict (2011) significantly contributed to proliferation in the Sahel. Major import hubs include West African port cities like Lagos, Nigeria (Human Rights Watch, 2016, 2023). The global arms trade is estimated at least \$95 billion annually. While specific figures for illicit arms trade are difficult to ascertain, armed conflict costs Africa around \$18 billion per year, with 95% of weapons and ammunition coming from outside the continent. The conflict in Yemen alone has been fueled by over \$18 billion in arms supplied to the Saudi-led coalition. The illicit arms trade often operates through barter systems, exchanging weapons for conflict diamonds.

Apart from arms trafficking, human trafficking is a pervasive organized crime activity in the Middle East and Africa, exacerbated by instability, poverty, and weak law enforcement. The Arab States have the highest per capita prevalence of slavery globally, with an estimated 1.7 million people trafficked daily in 2021. This includes 52% in labor trafficking and 48% in forced marriages. Common forms include domestic servitude, construction, agriculture, and seafaring. The Kafala system in many Arab Gulf states gives employers near-total control over migrant workers, leading to abuses like passport withholding, wage theft, and restricted movement.

In conflict zones, human trafficking serves multiple purposes for armed groups, including labor exploitation, sexual exploitation, and as a strategic tactic for intimidation and recruitment (International Organization for Migration, 2019). While direct financial gain from human trafficking is less common than from other illicit activities, the enslavement of individuals provides free services, cutting operational costs and increasing organizational efficiency. ISIS, for example, used trafficked individuals for forced labor in building tunnels and on farms, and subjected women and girls to forced marriages, rape, and sexual slavery as a means of control and recruitment incentive (International Labour Organization, 2017). The sale of Yazidi women and girls by ISIS, though intended to be internal, could generate significant amounts (\$10,000-\$40,000) if sold back to families. Kidnapping for ransom is a highly profitable funding source, with groups like ISIS and Boko Haram profiting from ransoms that can range from thousands to millions of dollars. The total estimated proceeds from human trafficking globally have increased from \$32 billion to over \$150 billion since 2011, making it one of the most profitable illegal industries (International Crisis Group, 2014, 2017).

2.4. Compromised Morality: The Ethical Erosion in Conflict Zones

The prolonged and complex nature of conflicts in the Middle East and Africa, fueled by advanced war entrepreneurship, has led to a profound ethical degradation, where moral principles are increasingly compromised or abandoned in the pursuit of profit and power (Cramer, 2006).

The concept of "war entrepreneurship" fundamentally transforms violence from a regrettable necessity into a lucrative commodity (Berdal, 2005). This shift involves individuals and groups actively seeking and exploiting economic opportunities within conflict settings, leading to a business model where the perpetuation of violence directly translates into financial gain. This dynamic is particularly evident in the operations of Private Military Companies (PMCs) and various armed groups, who treat conflict as a market for services and resources. For instance, Syria has rewarded mercenaries who seize territory from terrorists with oil and mining rights, directly linking combat operations to economic incentives. This creates a powerful financial incentive to sustain conflict, as peace would disrupt these profitable illicit economies.

In the Democratic Republic of Congo (DRC), armed groups exploit the absence of state authority to perpetrate widespread abuses against civilians, including summary executions, torture, sexual violence, and forced displacement, all driven by competition for profitable minerals like gold, coltan, and diamonds. These groups

militarize mining sites and profit by taxing miners, raiding mines, and partnering with smugglers. The M23 rebel group, for example, has intensified its offensive in North and South Kivu, seizing provincial capitals and consolidating control over mineral-rich regions, leading to over 7,000 civilian deaths in early 2025 (Global Initiative Against Transnational Organized Crime, 2020).

Similarly, in the Sahel, armed Islamist groups systematically use sieges, threats, kidnappings, and destruction of civilian objects (e.g., places of worship, health centers, food reserves, water services) as deliberate tactics to control supply routes and expand their influence (Collier, 2007). They impose forced taxation on farmers, livestock herders, and miners, effectively integrating civilians into their governance systems as recruits, taxpayers, and sources of intelligence. This strategic control over civilian populations and resources is a key pillar of their success as insurgents. The violence is not random but a calculated means to secure economic control and sustain operations.

2.5. Erosion of International Humanitarian Law (IHL) and Human Rights Law (IHRL)

The pervasive nature of "new currency" conflicts and advanced war entrepreneurship has led to a severe erosion of international humanitarian law (IHL) and human rights law (IHRL), with devastating consequences for civilian populations (Global Witness, 2004).

The deliberate targeting of civilians and civilian infrastructure has become a hallmark of contemporary conflicts in the Middle East and Africa. Hospitals, schools, and essential public services like water and sanitation are frequently destroyed or deliberately targeted, leading to massive displacement and catastrophic levels of civilian suffering (Kaldor, 2012). In Gaza, for instance, the ongoing conflict has resulted in thousands killed, tens of thousands injured, and critical levels of displacement, with famine imminent for a substantial portion of the population. Humanitarian aid workers face growing insecurity and risk, operating in increasingly dangerous environments, which severely constrains their ability to deliver protection and assistance. This disregard for IHL is not merely a legal crisis but a human one, undermining trust between humanitarians and affected populations.

One of the most salient facets of conflict discussion is the impunity for atrocities and its perpetuation of conflict. A critical factor perpetuating violence and human rights abuses is the widespread impunity enjoyed by perpetrators (Ross, 2004). In Sudan's Darfur region, for example, the Rapid Support Forces (RSF) and Sudanese Armed Forces (SAF) have been implicated in large-scale violations, including indiscriminate attacks, sexual violence, and

ethnic cleansing, many of which amount to war crimes and crimes against humanity (United Nations Office on Drugs and Crime, 2020). Despite international calls for justice and International Criminal Court (ICC) indictments (e.g., against former President Bashir), accountability mechanisms remain largely absent or ineffective. The failure to achieve accountability decades ago is identified as a reason why conflict in Sudan continues to burn.

The lack of effective regulation and oversight of Private Military Companies (PMCs) further exacerbates this impunity (Mähler, 2010). PMCs, often operating in a "grey zone" between state and non-state actors, are frequently implicated in human rights abuses, yet their corporate structure and the absence of robust legal frameworks make attributing and prosecuting their actions challenging. States may use PMCs to conceal their involvement in conflicts, and data on civilian harm is rarely disaggregated to reflect specific harm attributable to them. This allows for "plausible deniability," effectively shielding perpetrators from justice. The political cost of atrocity crimes has become shockingly low, even for plausible cases of genocide, contributing to the unraveling of international law and the normalization of violations. This systemic lack of redress for victims and survivors perpetuates cycles of violence and undermines efforts to build lasting peace.

2.6 Case Studies

2.6.1 The Niger Delta

The Niger Delta region of Nigeria serves as a stark illustration of how natural resource wealth can fuel conflict and human suffering when coupled with weak governance and compromised morality. Oil exploration and production have been the backbone of Nigeria's economy for decades, yet this has come at a severe cost to the local communities.

Historically, oil was discovered in the Niger Delta in the 1950s, with Shell Petroleum Development Company (SPDC) establishing oil fields, later joined by ExxonMobil and Elf (now Total). ExxonMobil (Mobil Producing Nigeria Unlimited, MPNU) began shallow water operations in Nigeria in 1955, and has been operating in Akwa Ibom State since 1969. The region has experienced widespread oil pollution for over half a century. Between 1970 and 1982, the Niger Delta experienced 1,581 oil spills, releasing 1.426 million barrels of crude oil into petroleum communities. Major incidents include a 2008 spill at ExxonMobil's Idoho pipeline, affecting Ibeno, Onna, Eket, Eastern Obolo, Esit Eket, and Mbo, blamed on negligence and equipment failure as the pipeline was installed in 1971 and due for replacement since 1996. Two major oil spills also occurred within the Qua Iboe Oil field in August 2012, affecting 7,000 to 10,000 people in Ibeno. In July 2024, a major oil spill from Shell's Trans-Niger Pipeline in Bodo, Nigeria,

caused severe environmental damage, exceeding 250 barrels (International Crisis Group, 2017).

Besides petroleum pollution, gas flaring, a prevalent practice since 1959, causes intense heat, acid rains, and emits hydrocarbon vapors, methane, and soot, leading to destruction of flora and fauna, and severe corrosion of corrugated iron roofs.

2.6.2 The Democratic Republic of Congo (DRC)

The Democratic Republic of Congo (DRC) exemplifies how vast mineral wealth, when coupled with weak governance and rampant impunity, fuels protracted conflict and severe human rights abuses. The eastern DRC has been wracked by violence for over three decades, driven by regional power struggles, historical grievances, poor governance, and intense competition for resources.

The illicit exploitation and trade of natural resources in eastern DRC are valued at over \$1.25 billion annually (Human Rights Watch, 2023). Transnational organized criminal groups receive an estimated \$72-\$426 million per year from these illicit flows, while armed groups retain a crucial portion, around \$13.2 million annually, which covers the basic subsistence costs for at least 8,000 armed fighters (Human Rights Watch, 2023). This income enables defeated or disarmed groups to continuously resurface and destabilize the region.

Gold is a major source of revenue for these armed groups. The UN Group of Experts estimated that in 2013, 10 tons of gold were produced, valued at \$391-418 million, with official exports representing less than 2% (Global Initiative against Transnational Organized Crime, 2020). The value of illicit gold exports at destination was estimated at \$118 million to over \$1.8 billion (Global Initiative against Transnational Organized Crime, 2020).

Coltan (tantalum), tin (cassiterite), and tungsten (wolframite) are also significant "3T minerals" in the illicit trade, with armed groups controlling approximately 50% of the over 1,000 mineral mines in eastern DRC (Human Rights Watch, 2016). The M23 rebel group, for instance, is estimated to generate \$800,000 per month from controlling coltan-rich mines in Rubaya (Human Rights Watch, 2016). Diamonds, although less directly linked to conflict financing in eastern DRC, contribute to the overall illicit economy.

Armed groups in eastern DRC regularly perpetrate widespread violations against civilians, including summary executions, torture, arbitrary detention, and sexual violence, often amounting to crimes against humanity and war crimes. These abuses are directly linked to the competition for control of profitable minerals and the exploitation of the absence of state authority. The

resurgence of the M23 group has led to intensified attacks across North and South Kivu, seizing provincial capitals and consolidating control over mineral-rich regions, resulting in over 7,000 civilian deaths since January 2025 (United Nations Group of Experts on the Democratic Republic of the Congo, 2013; Cramer, 2006). Armed groups militarize mining sites and profit by taxing miners, raiding mines, and partnering with smugglers (Acemoglu & Robinson 2012). Ethnically motivated attacks against displaced Congolese have led to waves of secondary displacement, and sexual violence is used as a weapon of war.

Advanced war entrepreneurship accompanies child labour (United Nations Group of Experts on the Democratic Republic of the Congo, 2013). Children in the DRC are subjected to the worst forms of child labor, including forced mining of gold, tin, tantalum, tungsten, and cobalt, often in hazardous conditions for less than \$2 per day. An estimated 40,000 children, some as young as six, work in cobalt mines in the Copperbelt region alone. These children dig in deep, unstable pits for shifts of up to 24 hours, haul heavy bags of ore, and process gold using toxic mercury with bare hands, leading to illnesses, injuries, and even death.

Children are also forcibly recruited or abducted by non-state armed groups for use in armed conflict (World Bank, 2011). In 2023, the Armed Forces of the Democratic Republic of the Congo (FARDC) coordinated with and provided material support to non-state armed groups (like FDLR and NDC-Rénové, identified as "Wazalendo") known for recruiting children (Le Billon, 2001, 2008). The Rwanda-backed M23 group also recruited children with false promises of employment, transporting them to Rwanda and Uganda for military training before redeploying them into combat. These children are used not only as fighters but also as scouts, cooks, porters, and messengers, and are often subjected to gender-based violence. The economic incentives for armed groups to control these mines are clear, as gold is a major source of revenue for them.

Neighboring countries like Rwanda and Uganda have played pivotal roles in the DRC's conflicts, often backing armed groups or intervening militarily for political, economic, or security reasons. Rwanda, despite limited domestic gold reserves, exported nearly 50 tons of gold valued at over \$885 million, much of which is undeclared and likely originates from Congolese artisanal mining zones (Berdal, 2005). Uganda similarly exported \$2.25 billion in gold between 2020 and 2021 despite limited domestic production, with its military forces in DRC protecting Ugandan economic interests (Berdal, 2005).

Accountability for these abuses remains a significant challenge. For instance, the Extractive Industries

Transparency Initiative (EITI) aims to improve governance in resource-rich countries through transparency, and while it has institutionalized transparency practices, an evidence gap remains regarding its direct impact on development outcomes in conflict zones. The US Securities and Exchange Commission's (SEC) 2012 conflict minerals disclosure rule has not reduced violence in eastern DRC and may even be associated with a spread of violence around informal gold mining sites, as gold is more portable and less traceable. Rampant impunity and the absence of meaningful reconciliation mechanisms perpetuate the cycle of violence and exploitation.

2.6.3 Libya

Libya presents a complex case of a pervasive "war economy" that has emerged from its interlinked political, security, and economic crises following the 2011 NATO-led military intervention. This economy is deeply intertwined with violence, state dysfunction, and the proliferation of illicit activities, significantly undermining state institutions and human rights.

Libya's war economy is dynamic and constantly in flux, characterized by activities directly or indirectly dependent on the perpetuation of violence. Competitive rivalries are predominantly local, with groups focusing on strengthening their positions rather than aiming for nationwide control. This system provides an enabling environment for armed groups, criminal networks, corrupt businessmen, and political elites to sustain their activities through illicit sales and predatory practices. The war economy perpetuates negative incentives for those who profit from the state's dysfunction, making them powerful spoilers of reform. The political contestation and resource predation have a disastrous impact on Libya's formal economy, undermining its institutions and threatening further state collapse.

Libya has become the primary launching point for mixed migration to Europe along the "Central Mediterranean Route". In 2016, approximately 163,000 migrants used this route, generating an estimated \$978 million in revenue (Organisation for Economic Co-operation and Development, 2019; Berdal, 2005). Armed groups are directly involved or extract rents from smugglers, controlling staging areas and detention centers for extortion. These groups, including foreign mercenaries, commit human rights abuses like unlawful killings, abuse of migrants, forcible recruitment, forced labor, and sex trafficking. Detainees in official and unofficial centers are subjected to sex acts in exchange for food, water, or freedom, and are sometimes "sold" to outside individuals for further exploitation.

Fuel smuggling is another highly damaging activity, costing the Libyan state an estimated \$1.8 billion annually. Fuel is

smuggled overland to Tunisia, diverted within the country using falsified paperwork, or transported by sea to international markets. Larger-scale schemes involve direct diversion from refineries and ports, often with complicity from officials and connections to international criminal networks. The National Oil Corporation (NOC) has faced significant resistance in combating this, with power cuts caused by armed groups linked to profiteers.

The pervasive war economy has severely fragmented Libya's state institutions. Key entities like the NOC, Central Bank of Libya (CBL), and Libyan Investment Authority (LIA) are subject to power struggles and predation (Ross, 2004). Many armed groups are formally incorporated into the state, drawing public-sector salaries, effectively making Libya's civil conflict state-funded. This incorporation allows them to operate autonomously while being paid, reinforcing the view of the state as a resource to be raided. The liquidity crunch has made banks focal points for conflict, with armed groups extorting money from bank employees and facilitating fraudulent letters of credit, which allow access to foreign currency at official rates for illicit profit. This creates significant arbitrage opportunities, with over \$570 million in fraudulent letters of credit identified in 2016 involving 21 banks and 23 companies (Transnational Institute, 2015).

The human rights situation is dire. Impunity for abuses against civilians is pervasive. The conflict has led to significant displacement, with at least 34,000 people displaced by Storm Daniel in 2023 alone, and over 10,000 unaccounted for (Ross, 2004). The destruction of infrastructure, including dams, and the diversion of funds have exacerbated humanitarian crises.

External interventions and financial contributions from other states have further destabilized the country. The Wagner Group's presence in Libya has been linked to securing oil fields and generating revenue for the Russian state. The intervention in 2011 disrupted oil production and infrastructure, contributing to the proliferation of illicit arms trafficking and exploitation of natural resources by various armed groups. This highlights how external involvement, while sometimes aiming for stability, can inadvertently fuel the war economy and exacerbate human rights abuses.

3.0 Materials and Methods

This study was carried out in Africa and the Middle East being hotspots for systemic violence and pogroms as a business model for advantaged entrepreneurs. The study employs a qualitative, desk-based research design centered on systematic content analysis. This approach is selected for its ability to synthesize and interpret diverse secondary data to construct a comprehensive argument about the

complex relationship between illicit economies, private military forces, and ethical degradation in conflict. The methodology is designed to move beyond a simple description of events to a theoretical exploration of "advanced war entrepreneurship" and "compromised morality" as key drivers of contemporary conflict in the Middle East and Africa. The investigation is based on a broad range of secondary data sources to ensure a robust and well-supported analysis. The data includes:

Peer-reviewed journal articles, books, and academic reports focusing on conflict economics, political science, international relations, and security studies was extracted. Similarly, publications from international bodies such as the UN, World Bank, International Crisis Group, and Amnesty International, provided data on conflict, human rights, and illicit trade. The selection of these sources is purposive, aiming to gather information that directly addresses the core concepts of the study, including specific examples of illicit economies (oil, minerals, arms, human trafficking), the activities of private military companies, and documented human rights abuses.

The data analysis will follow a multi-stage process of systematic content analysis to identify, categorize, and interpret key themes. The study first categorizes findings based on the key themes introduced in the paper:

- i. The Evolving Drivers of Conflict: Analysis of the "resource curse," "youth bulge," and climate change as foundational conflict drivers.
- ii. The Privatization of Violence: Examination of the roles and operational modalities of Private Military and Security Companies (PMSCs) and other non-state actors.
- iii. Illicit Economies: In-depth analysis of specific illicit activities—including oil bunkering, conflict minerals, arms trafficking, and human trafficking—and their economic value.
- iv. Compromised Morality: Identification of instances and patterns of ethical erosion and the normalization of violence for profit.
- v. Erosion of International Law: Documentation of violations of international humanitarian and human rights law, and the issue of impunity.

Within each category, the analysis synthesizes qualitative descriptions with quantitative data (e.g., specific dollar values of illicit trade, population displacement numbers) to provide a comprehensive and evidence-based account. The core of this stage is to interpret the findings to explain how "advanced war entrepreneurship" operates as a business model and how it directly contributes to "compromised morality" and the perpetuation of conflict.

Where appropriate, the analysis used cross-case comparisons (e.g., comparing oil trade in the Niger Delta with that of ISIS) to identify recurring patterns and broader systemic issues across different regions. This approach strengthens the generalizability of the findings and provides a more robust basis for the study's conclusions and policy recommendations.

4.0 Results and Findings

This study, employing a qualitative, desk-based research design and systematic content analysis, investigates the intricate relationship between illicit economies, private military forces, and ethical degradation in contemporary conflicts. Moving beyond traditional conflict analysis, the research conceptualizes this phenomenon as "advanced war entrepreneurship," a self-sustaining business model that perpetuates conflict for profit. The findings are organized around three core, interconnected themes: the financial engine of conflict, the actors driving it, and the moral and legal consequences.

The primary finding is that conflict in the Middle East and Africa is fundamentally driven by a diverse portfolio of illicit economies. These activities do not simply fund conflict; they provide the primary motivation for it.

With regards to oil bunkering, analysis reveals that the illegal trade in oil, as seen with groups like ISIS in Syria and various factions in the Niger Delta, provides a massive and stable revenue stream. This income is systematically used to acquire weapons, pay fighters, and sustain long-term operations.

Findings also reveal a clear and direct link between the control of lucrative mineral resources (e.g., coltan, gold, and diamonds) and the perpetuation of violence. Case studies from the Democratic Republic of Congo illustrate how armed groups fight for territorial control of mines to finance their activities. It further highlights how the illicit arms trade directly fuels the violence, while human trafficking for forced labor or combat serves both as a source of revenue and a method of recruitment, creating a cycle of exploitation and violence.

The analysis reveals a recurring pattern: the profits from one illicit activity (e.g., minerals) are frequently reinvested into others (e.g., purchasing illicit arms or funding human trafficking rings), creating a robust, circular economic model that is difficult to disrupt.

The study identifies "advanced war entrepreneurship" as the strategic business model that leverages these illicit economies. This model is operationalized through the privatization of violence.

It was found out that Private Military and Security Companies (PMSCs) and other non-state actors are not

simply hired guns; they are integral business partners in this model. They act as "force multipliers" and commercial enablers, securing valuable assets and trade routes for factions in exchange for a share of the profits. For instance, the involvement of groups like the Wagner Group in securing mining concessions in Mali and Sudan directly links military support to economic gain. The findings show a systematic blurring of lines between military, political, and commercial objectives. War becomes a means to secure business interests, and military action is treated as a strategic investment to maximize profit. This shift fundamentally changes the nature of conflict, making it less about political ideology and more about market control.

The weight of this study lies in compromised morality and impunity issues. A central and critical finding is the pervasive erosion of ethical norms, or "compromised morality," that accompanies this profit-driven conflict model.

The analysis documents how the normalization of violence for financial gain leads to a systematic disregard for human life and dignity. The pursuit of profit takes precedence over humanitarian concerns, making widespread human rights abuses an expected outcome rather than an unfortunate side effect. The findings provide specific evidence of a wide range of abuses, including civilian massacres, forced displacement, and sexual violence, often perpetrated by non-state actors with a high degree of impunity. The study concludes that the non-state and often shadowy nature of these actors makes accountability extremely difficult. Violations of international humanitarian and human rights law are frequently unpunished, creating a climate of impunity that reinforces the business model of conflict and ensures its perpetuation. This study demonstrates that contemporary conflict is no longer a political event with economic consequences, but a self-sustaining economic model where "advanced war entrepreneurship" operates as the core business strategy. The pursuit of profit through illicit economies fuels a cycle of violence, while the privatization of force and the erosion of international law ensure its sustainability, making conflict not just a reality, but a lucrative enterprise.

Concluding remark and Policy Recommendations

The analysis reveals a profound transformation in the nature of conflict across the Middle East and Africa. The concept of "new currency of conflict" accurately captures how illicit economies have moved beyond being mere by-products of instability to become central drivers and sustaining forces of violence. This shift is enabled by "advanced war entrepreneurship," where a diverse array of actors, from local militias to transnational criminal

networks and private military companies, actively exploit conflict for profit. This pursuit of economic gain systematically corrodes ethical frameworks, leading to a "compromised morality" where violence is normalized as a legitimate business model, and human rights are routinely disregarded.

The pervasive economic vulnerabilities in these regions, including the "resource curse," high youth unemployment, and the exacerbating effects of climate change, create a fertile ground for these illicit economies to flourish. The failure of transparent governance and equitable resource distribution transforms natural endowments into catalysts for conflict rather than development. The privatization of violence, particularly through the rise of PMCs, further complicates accountability and perpetuates a cycle of human rights abuses. Case studies from the Niger Delta, DRC, and Libya vividly demonstrate how illicit oil, minerals, arms, and human trafficking networks generate billions in revenue, directly funding armed groups and undermining state institutions. The widespread impunity for atrocities, coupled with the erosion of international humanitarian and human rights law, allows this destructive cycle to continue unabated. The interconnectedness of these factors signifies that a purely military or political approach to conflict resolution is insufficient; a holistic strategy addressing the underlying economic and ethical dimensions is imperative. Hence, there is need to strengthen governance and rule of law, judicial reform, invest in strengthening state institutions, particularly in justice, security, and resource management sectors, to re-establish the state's monopoly on legitimate force and control over economic activities. Addressing illicit financial flows and arms trafficking, enhanced international cooperation among governments, multilateral institutions, NGOs, and the private sector to share information, build capacity, and mobilize resources to combat illicit financial flows (IFFs) and arms trafficking. Targeted sanctions and asset recovery, disruption of arms trafficking routes and sources, and community friendly policies can curb the menace of violence in this critical region.

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